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PUBLIC UTILITY COMMISSION  
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APPLICATION OF SOUTHWESTERN  
ELECTRIC POWER COMPANY FOR  
AUTHORITY TO CHANGE RATES

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BEFORE THE PUBLIC UTILITY  
COMMISSION OF TEXAS

**SIERRA CLUB'S MOTION TO INTERVENE**

Under Section 22.104 of the Procedural Rules of the Public Utility Commission of Texas ("Commission"), Sierra Club submits this Motion to Intervene in the matter of the Application of Southwestern Electric Power Company ("SWEPCO" or "the Company") for Authority to Change Rates, filed with the Commission on October 14, 2020. Sierra Club respectfully requests that the Commission enter an order permitting Sierra Club's intervention and participation in this proceeding.

In support of this motion, Sierra Club states as follows:

1. The names and contact information for Sierra Club's authorized representatives:

Joshua Smith  
Matthew Miller  
Tony Mendoza  
Sierra Club Environmental Law Program  
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2. Sierra Club is a non-profit corporation organized under California law, with more than 837,400 current members nationwide, including more than 29,300 members in Texas, a number of whom are residential customers of SWEPCO. Sierra Club is dedicated to advocating for (among other issues and objectives) public utility policies and practices that reduce utility reliance on fossil fuel generation resources, thereby decreasing pollution and reducing overall system costs and ensuring rates that are reasonable, just, and fair to consumers. Sierra Club has a history of successful intervention and participation in

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ratemaking proceedings—including at this Commission, and including proceedings initiated by SWEPCO—on behalf of its members’ interests, as detailed below.

3. Sierra Club also seeks to intervene in this proceeding in its representational capacity, on behalf of its many individual members (including Lawrence F. Brough, Ph.D) who live and purchase utilities services from SWEPCO in Texas. As discussed in more detail below, Dr. Brough is a SWEPCO residential ratepayer who stands to be adversely affected by SWEPCO’s proposed rate increase. He is a longstanding Sierra Club member and lives in the vicinity of the Welsh plant, which is at issue in these proceedings.
4. In this proceeding, in accordance with the Public Utility Regulatory Act and 16 TAC § 25.243(b), SWEPCO seeks approval to change electricity rates and a base rate increase of \$105,026,238, in part, to recover more than \$60 million in capital investments at the Company’s fossil fuel electric generating units, including the Pirkey power plant in Texas, Flint Creek and Turk power plants in Arkansas, and the Dolet Hills power plant in Louisiana. SWEPCO Application, Direct Testimony of Monte McMahon at 19. The Company also seeks recovery of fixed and operations and maintenance costs associated with the continued operation of its fossil fuel generation units. SWEPCO Application, Direct Testimony of Michael Baird. Although the impact of the rate change will vary depending on customer class, most residential customers, which include Sierra Club members, will see electric rate increases of approximately 15% if the Commission approves the Company’s application. App. B to Pet.
5. An increase in the rates and charges for electricity would adversely impact Sierra Club’s members who are customers of SWEPCO. Sierra Club seeks to intervene in this proceeding in its representational capacity, to protect its own interests in a less-polluting electric system and the interests of its individual members who live and purchase utilities services from SWEPCO in Texas, and whose electric utility rates will be affected if the Commission grants SWEPCO’s requested relief. These members are also affected by SWEPCO’s capital investments in its fossil fuel generation resources and energy market decisions, including its fixed and operations and maintenance expenses, all of which are at issue in SWEPCO’s application in this case, and can lead to avoidably and imprudently high electricity bills for customers.

6. Sierra Club seeks to participate in this proceeding in order to protect its justiciable and administratively cognizable interests in ensuring that SWEPCO's capital and operational costs during the Test Year were prudent and reasonably necessary to provide affordable, reliable service. Sierra Club also seeks to intervene on behalf of its own organizational environmental interests and those of its members who live, work, and recreate in and around the power plants for which SWEPCO seeks recovery of costs, and who are therefore adversely affected by pollution from the Company's increased operation of the plants (in addition to the adverse financial impacts suffered by ratepayers as a result of plants' potential uneconomic over-operation).
7. In this docket, Sierra Club will investigate SWEPCO's capital investments at its fossil fuel power plants and its operational and energy market commitment decisions for its coal-burning generation units during the Test Year, and may offer expert testimonial analysis and recommendations regarding the prudence of those investments, the economics of SWEPCO's fossil fuel resources, and whether the Commission should approve SWEPCO's proposal to increase customer electric rates to pay for the continued operation of those generating units. Sierra Club may advance other positions as it reviews the Company's filing in more detail and conducts discovery in this proceeding.
8. Sierra Club seeks full intervention in order to ensure that its interests in assuring reasonable investment, operational, and energy market decisions at SWEPCO's fossil fuel power plants are fully represented. Sierra Club has participated in numerous Commission proceedings to advance its interests in affordable clean energy, including dockets addressing SWEPCO's previous requests to recover capital investments at its fossil fuel generation units.<sup>1</sup> In addition, Sierra Club members, who include SWEPCO's residential electric customers, have a substantial interest in seeing the Company meet its electric

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<sup>1</sup>See, e.g., *In re: Application of Southwestern Electric Power Company for Authority to Reconcile Fuel Costs*, PUC Docket No. 50997, SOAH Dkt. No. 473-20-4204; *In re: Application of Southwestern Electric Power Company for Authority to Change Rates*, PUC Docket No. 46449, SOAH Dkt. No. 473-17-1764; *In re: Application of Southwestern Electric Power Company for Authority to Change Rates and to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2012 through June 30, 2012*, PUC Dkt. No. 42004, SOAH Dkt. No. 473-14-1665.

service obligations in a way that is both lower-cost and cleaner, and that adequately balances risks between electric customers and utility shareholders.

9. No other party to this docket adequately represents those unique institutional and policy interests, and Sierra Club has the experience and expertise to assist the Commission in evaluating those issues. Moreover, Sierra Club's members have a unique interest in avoiding imprudent operational expenditures at coal-burning power plants, thereby reducing energy costs and pollution.

10. Sierra Club's authorized representatives in this matter are:

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11. Mr. Smith, Mr. Mendoza, and Mr. Miller ask to be included on the service list in this proceeding.
12. Section 22.103(b) of the Commission's Procedural Rules requires associational intervenors to disclose the membership being represented through the intervention. Sierra Club has numerous members who are SWEPCO residential customers. Dr. Lawrence F. Brough, Ph.D., is a residential customer of SWEPCO and an individual member of Sierra Club. As a SWEPCO ratepayer, Dr. Brough stands to be adversely affected by SWEPCO's request to recover potentially unnecessary fuel costs and the Company's over-recovery of fuel costs because those costs will ultimately be borne by ratepayers. Dr. Brough is a longstanding Sierra Club member and, incidentally, lives near the Welsh plant

at issue (among others) in these proceedings, and therefore has an interest in reducing utilization and pollution from that facility. Sierra Club seeks to intervene in this proceeding in its representational capacity, on behalf of its many individual members, including Dr. Brough, who live and purchase utilities services from SWEPCO in Texas.

13. This Motion is timely, being filed before the November 30, 2020, default deadline under Section 22.104(b) of the Commission's Procedural Rules, which provides that motions to intervene shall be filed within 45 days from the date an application is filed with the Commission, unless otherwise provided by statute, commission rule, or order of the presiding officer.

**WHEREFORE**, Sierra Club respectfully requests that the Commission grant its motion to intervene as a full party of record and allow it to participate fully in this docket—including, without limitation, filing and presenting comments and/or testimony, cross-examining witnesses, participating in all formal and informal conferences and hearings, and filing briefs and any other pleading, to the extent it deems necessary for its full participation herein.

Dated this 24<sup>th</sup> day of November, 2020.

Respectfully submitted,

/s/ Joshua Smith

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*Counsel for Sierra Club*

### **CERTIFICATE OF SERVICE**

I, certify that a copy of the Sierra Club's Motion to Intervene was served upon all parties of record in this proceeding on November 24, 2020, by electronic mail in accordance with the Commission order in Docket 50664 issued March 16, 2020.

By: /s/ Joshua Smith